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BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, DC 20268-0001

Retail Access Optimization Initiative)	Docket No. N2011-1

Rebuttal Testimony of Mayor Donald Hobbs On Behalf of The National League of Postmasters

Autobiographical Information

2	My name is Donald Hobbs. I am the Mayor of Lohrville, Iowa, in Calhoun County,
3	Iowa, and I also serve as the Director of the Iowans for Post Office Services (IPOS). Please note
4	that the title of the group is Iowans for Post Office Services, not Iowans for Postal Services.
5	I have a Bachelor of Music Degree (B.M.) in church music from Drake University.
6	While I am the Mayor of Lohrville, I also am an organ builder and technical designer at Dobson
7	Pipe Organ builders, Ltd. in Lake City, Iowa, another small rural town in Iowa. Dobson is an
8	internationally renowned pipe organ builder and was recently chosen to build a new 44-stop
9	three-manual and pedal mechanical action organ for the Chapel of Merton College, at Oxford
10	University.
11	Lohrville, Iowa, is a small town in rural Iowa, located about 97 miles northwest of Des
12	Moines. Our population is 368, and the estimated per capita income in 2009 was \$17,404. Our
13	estimated median income in 2009 was \$31,000 and the estimated median age of a Lohrville
14	citizen is 40. Lohrville was incorporated in 1882.
15	Eighty five percent of Lohrville citizens have at least a high school degree, with 17.7%
16	having Bachelor's degrees, and 8% having graduate or professional degrees. Lohrville's citizens
17	work as farmers and farm managers, agricultural workers and agricultural supervisors,
18	driver/sales workers, truck drivers, law enforcement officials, insurance agents, teachers, and
19	retail sales workers, and other sales and related workers, including supervisors.
20	Iowans for Post Office Services (IPOS) is a group of Mayors and community leaders
21	from cities and community organizations working together to help preserve our Post Office
22	Services. IPOS is not a group formed to fight the U.S. Postal Service, but rather to help save it.

- 1 We represent approximately 50 towns and cities in Iowa, plus a number of other community
- 2 groups and leaders, including the Iowa League of Cities.

Purpose and Scope

The purpose and scope of my testimony is to provide the Commission with specific
information concerning the role of our Post Offices in local rural communities, and to show why
closing rural Post Offices is destructive of rural communities, rural economies, and ultimately of
rural America.
Moreover, my testimony shows how and why rural letter carriers and Village Post
Offices will not—in the real world—replace the necessary services that our Post Offices provide
to us, and thus why the rhetoric of the Postal Service that these changes (i.e., shutting down
thousands and thousands of post offices) will not degrade the service that rural America
experiences is being met by derisive laughter throughout Iowa and presumably the rest of rural
America.
I speak today not only on behalf of Lohrville and its citizens, but also for the mayors and
citizens of all the other towns that make up the membership of the Iowans for Post Office
Services.

I. Service to Rural America

I have heard gratuitous statements from the Postal Service that it will continue to provide satisfactory service, indeed better service, to rural America, even after all these post offices are closing. It really irritates me. Few rural citizens believe that and most laugh at the notion, as I have said.

For instance, in preparation for this testimony I asked a number of citizens of Lohrville—which is a fairly typical rural town—what their image was of the Postal Service and what they thought of the notion of postal "service" in general. People generally responded with laughter and comments like "Service?", or they said something like "That [service] is not what they are trying to provide with this [shuttering our Post Offices]." I hear all of these same sentiments from people around our state living in towns where a Post Office is being studied for closure, as well as other rural towns.

I feel the truth of the matter is that the Postal Service wants to blow off its mandate to provide rural America with the maximum degree of service that the law requires, and is using its financial challenges as an excuse to do that. I am still not sure why the Postal Service is doing this. My understanding is that they will only save somewhere around \$200 million at most if they close all of the post offices that they are considering right now. That is something like 3/10s of one percent of their operating budget. I would think—just off the top of my head—that the monetary value of the damage to rural America and the damage to the Postal Service's reputation and service network would be much greater than that.

Many citizens and business owners proclaim that they will not use the Post Office as much as they do now if our Post Office closes. Speaking with the owner of one of our thriving businesses, he expressed this in earnest. Currently, this excavating company sends all bills,

- statements, bids, bill pay and package shipments through the Post Office. He said they are
- 2 willing to go the extra effort to send all correspondence electronically and will solely use an
- 3 alternative delivery service for packages.
- 4 I know that closing my Post Office would hurt my town. I will explain below why my
- 5 town and the other towns of the IPOS need post offices.

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II. Village Post Offices

Before I do that, I would like to address the notion of the Village Post Office which the

- 9 Postal Service has suggested to replace some of the post offices they are going to close.
- From what I understand, a Village Post Office would only sell First Class Stamps, flat
- 11 rate boxes, and perhaps have post offices boxes on their premises. I have asked the National
- 12 League of Postmasters for a list of the services normal post offices provide as contrasted to the
- services that a Village Post Office would provide. This is what they provided me.

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How Does a Village Post Office Line Up Against a Real Post Office?

Postal Products/Services	Real P/O	Village P/O
Forever Stamps	✓	✓
Denominated Stamps	✓	
First Class Mail	✓	
First Class Mail International	✓	
Priority Mail (weight based)	$\frac{\overline{\checkmark}}{\checkmark}$	
Priority Flat Rate Boxes/Envelopes	<u></u>	✓
Express Mail	✓	
Certified Mail	✓	
Return Receipt	✓	
Insured Mail	✓	
Return Receipt for Merchandise	✓	
Certificate of Mailing	✓	

Restricted Delivery	✓	
Collect on Delivery (COD)	✓	
Special Handling	✓	
Adult Signature Required	✓	
Media Mail	✓	
Parcel Post	✓	
Money Orders	✓	
Signature Confirmation	✓	
Delivery Confirmation	✓	
Registered Mail	✓	
Bulk Mail Acceptance	✓	
Zip Code Information	✓	
International Mail	✓	
First Class Int Mail Parcels	✓	
Customs forms	✓	
File a Change of Address	✓	✓
Apply for a Passport	✓	
Stamped Envelopes	✓	
Stamped Postcards	✓	
Ready Post Products and Supplies	✓	
Zip Code Information	✓	
Sure Money (Dineroi Seguro)	✓	
Mailing Requirements		
File an Insurance Claim	✓	

- 2 Looking at this chart, I see that many of the services my town uses would not be provided by a
- 3 Village Post Office. And, if I count correctly, the League has calculated that an independent post
- 4 office provides 36 different types of products or services, while a Village Post Office would
- 5 provide only three. Indeed, from what I understand, a Village Post office has no acceptance
- 6 function beyond flat rate boxes, and no real distribution function.
- Most of the businesses in our town are running with a minimum of staff already. They
- 8 run as efficiently as they can in regards to staff and space. Some may have space, while others
- 9 do not. Their primary purpose is to provide the best service possible in their area of expertise. I

don't think many, if any, would be interested in a Village Post Office because most are hesitant to expand into a field not related to their primary business.

A Village Post Office would not meet the needs of my town or the needs of the other small towns in Iowa, and it would not provide the quality or quantity of services we need. Interestingly, in some of the community meetings we have had, the Postal Service has said they won't even replace the post office they are killing with a Village Post Office. What type of service is that? Surely it is not the maximum degree of service. I looked up the word "maximum" in the Random House Dictionary, and it defined the word as representing "the highest amount, volume or degree attained or attainable." How can this proposal be consistent with that? It seems to be that this proposal is removing the maximum degree of service to rural America, not maintaining it. In fact, I have witnessed some USPS managers leading discontinuance public meetings leaving out the word 'maximum' when they refer to the continued ability to provide effective service to the community.

III. What Post Offices Do for My Town

Our Citizens use the Post Office for a variety of services.

They, of course, buy stamps and flat rate boxes. More broadly than that, they use the Post Office to send packages at Christmas time, and at other times, often to their kids and grandkids in college and in the military. Some of those packages can be quite large. Further, some of those go to international destinations for kids in foreign exchange programs, for foreign students they have met here in exchange programs, and to their sons and daughters serving in the military in Iraq, Pakistan, and other places.

Some of our citizens order medications through the mail, and some receive their mail through post office boxes. I have a hunch that is typical for most of the very small rural post

offices on the closing list. Today, when they arrive, the medications are stored in PO Boxes in

2 the Post Office until picked up, and are not subject to weather conditions if not picked up

3 quickly. In hot or icy weather, some of our people do not get out very much, so their mail may

sit for a few days, until they can get out to get it. Being in the post office boxes takes care of

concerns about heat, humidity, and cold.

In terms of seniors and limited ability persons, having to go to an outside mailbox every day in high heat or snow and ice would be a far different cry and much more taxing than what they do today. Today, they leave their mail in the Post Office if they feel getting it would be too hard for them that day, or because of the weather. For senior rural citizens, a short drive to the Post Office, where there is a well shoveled sidewalk and a climate controlled environment, to pick up mail or to mail something is far preferable to dealing with the elements in general with a mailbox. At the Post Office, they likely will have a safer walk, with less likelihood of a fall. Falls are the leading cause of death due to accidents among the elderly. In Lohrville, as in other rural communities, we value our elders. This is a huge concern of people in our town. Many of these people also rely on the USPS employee to ensure they are mailing a package properly and to assist them in filling out any required forms.

When it comes to prescriptions narcotics, many of our citizens must order them through the mail because of their insurance. Those packages must be signed for by the recipient at the time of delivery. Since many people are not available when the postman comes, they come down to the Post Office to sign for it. The idea of having to sign for something—which you can't really do if there isn't a post office—is a big deal. In addition to the narcotic prescriptions, I know that our town government and other town governments regularly send certified letters to citizens concerning ordinances that are not being followed, and for other legal actions and legal

reasons. Those letters must be signed for. Without a post office, they cannot be reasonably signed for.

Many businesses mail packages that must be insured, registered or mailed second day or Express. These businesses cannot take the time—particularly in these extremely tough economic times—to stand at the mailbox to handle sending them. Neither can they afford to take an extra 30 minutes to drive to another town to send the package. Additionally, if that post office were handling the business of several that had been closed down, one would have to assume that the wait in lines would be longer.

Moreover, some of these businesses have times when they only have one person in the office. These businesses would have to close down for the entire time it would take to drive to a post office in another town to send it. That is certainly no maximum service, much less effective and reasonable service.

Another problem for businesses is late day pickup, and the Postal Service's incessant drive to close rural post offices has many of the businesses in the towns represented by IPOS worried. For instance, several insurance companies and an accounting firm in our town often receive (or call for) a document in the morning, and that document must be turned around and mailed out that same day. There are times, many I am told, when an insurance company will cancel a policy, increase a premium, or tack on additional fees if a document is not turned around and entered into the mail by the same day. With the closing of our post offices, canceling will not be available that same day to ensure that the piece is "entered" into the mail on the appropriate day.

Our public Library is one place that will have to deal with the packaging situation. With interlibrary loan programs they often need to send books to other libraries near the end of the

day. The Library budget, like libraries in other towns, is tight. They do everything they can with the money they have. In order to fulfill their loan obligations they will have to use an alternative delivery service. They do not have the budget or personnel to drive to a neighboring town to put a package in the mail.

Our town and other small towns have a high percentage of low to moderate income (LMI) individuals. These people are most likely to not have bank accounts and thus must regularly buy postal money orders. They bank through the post office. Many of these individuals, because they are strapped financially, also have limited access to automobiles. Some do not own an automobile, and for those that do, they tend to drive them as little as possible to save on gas, particularly with today's prices. Thus, driving to the next town for them is not only a burden on their time but also a burden on their finances.

IV. Why Rural Letter Carriers are Not "Post Offices on Wheels"

I know the Postal Service loves to call rural letter carriers "Post Offices on wheels," but the truth of the matter is that they simply are not. They are, mind you, a key part of rural America, and a vital and time-honored part of the American way of life. No question about it. However, at a public meeting for the discontinuance of a Post Office I heard the USPS representative actually refer to the "Post Office on Wheels" as a disadvantage. They do carry stamps and can sell them along their route and can take care of some other matters. That is a nice and helpful service. They also can be particularly helpful, in extra ways, during emergencies and they are always "eyes on the alert" for unusual developments or for problems as they drive their routes each day. Moreover, most rural letter carriers are extremely nice men and women, the salt of the earth.

But they simply are not Post Offices on wheels and they are not substitutes for post offices, no matter how nice that catch slogan sounds. The key reason is that rural carriers are always on the move, and to buy anything from them, you have to be in the right place at the right time. Moreover, you have to be willing to waste your own time to wait for them, since my experience is that they never quite come by a mailbox at exactly the same time each day. It is patently unreasonable to think that the normal rural citizen will be able to interrupt his work, or his farming, hike out to the mailbox, and stand or sit until the carrier comes by.

Moreover, were this misguided effort to close small rural post offices to succeed, a rural carrier's day would become longer and unpredictable, and the timing of his or her route and arrival times at individual mailboxes even more unpredictable. I have already heard reports of our local rural delivery carrier having so much work that he had occasion to miss the truck leaving for Carroll with outgoing mail. Even assuming customers were willing to go sit or stand in 90 degree heat or -20 degree snow for half an hour to wait for this carrier, how could the carrier possibly have enough time to do his deliveries and meet the retail needs of all of his customers along his route? What if even a quarter of the persons on the route are standing by the box needing various services? What if half of those take ten minutes to do their business?

Finally, low-to-moderate income individuals tend to work a lot at odd jobs, or work at odd hours, in order to make ends meet. Even if a non low-to-moderate person were able to waste his or her time by sitting around and waiting for the carrier to arrive, low-to-moderate income individuals would not typically be able to stand at a mailbox and wait to greet the delivery person to do their business. It just would not be practical.

V. Economic Development &	& Communit	v Identitv
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So far I have generally addressed the relationship of our Post Offices to our towns in terms of the services they provide. Rural Post Offices are much more than that.

A. Community Identity

Rural Post Offices are at the heart and soul of a rural community. Not only do they provide a valuable service connecting us to the world, they are that stalwart that has, historically, been in every community across America. The Post Office is the place that everyone in a community uses. That is why it is the tried and true place for public notices, legal and mundane. Most cities have designated the Post Office as one of their official posting locations because of this.

This is a place where people happen to see each other and stop to chat. No other place brings in everyone from a community. This is where random citizens see each other and talk about the weather, the news, how the high school sports team did, or complain about the latest actions the City took. Believe me, as the Mayor, I know. I have had discussions there, as Mayor, with our Librarian and community club president that resulted in an event being planned. I am more likely to see the Librarian at the Post Office then I am at the Library, because of the frequency of stopping. I could list dozens of activities, actions and ordinances that had their beginnings in the lobby of our Post Office while the postal worker was busy handling business. For instance, a Charity Ball was conceived and leadership selected at the Post Office. The condition of a building in town was discussed at the Post Office and the idea to get a grant that we ended up receiving to remove the deteriorated building was thought up at the Post Office. When it was time for our town to celebrate 125 years of existence, an untold number of activities

1 were born and planned at the Post Office which created a tremendous showing of community

2 identity. After all, this is OUR Post Office, and we are proud of it. People are generally slower

to move in and out of the Post Office because of a chance meeting, and as they keep running into

more and more people. One of our local pastors has been known to stand in the corner to read

the paper, just to be with the people. These are the discussions and happenings that keep not

only our image alive, but also our heart and soul.

Rural communities here in Iowa generally have a strong community image, sometimes tied to the origins of the founders or to some primary employment that is, or was, in the town. We are all holding on to these community images while trying to keep our towns vital. Our citizens have withstood the growing move of urban migration. With the loss of population we have seen the inevitable loss of businesses. We strive to keep our community image alive, no matter the size of our community. That is why people are here, the very thing that is our town. In fact, the motto that Lohrville has adopted is "Better not Bigger," reminding each of us that we are to be a better community, no matter the population.

For many, the absence of a Post Office will overshadow their will to keep the community identity. Many having gone through school consolidations, which took some of their identity already, are facing community images that are weary to begin with.

One example of a very weary community image is Searsboro, Iowa. This town of 148 citizens 'passed away' in August, 2011, at the age of 135 years. This is the first town to unincorporate in Iowa in 6 years. They have been fighting hard to keep the town going. In the last decade they faced many trials in addition to the urban migration. When they received word that the Post Office would close September 23, 2011, it was the last straw. How can a community that is working with all their might to keep going withstand such a mental blow?

- 1 The Des Moines Register did a good story on this::
- 2 http://www.desmoinesregister.com/article/20110906/NEWS03/309060048/-1/SPORTS09/Munson-post-office-s-
- 3 closure-Searsboro-surrenders

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do have your post office."

- 4 In thinking of this, I decided to look on the web for some more good examples. I found
- 5 this wonderful piece in a Wisconsin newspaper, *The Superior Telegram*,
- 6 http://www.superiortelegram.com/event/article/id/56522/ and I have copied it below.

7	Rural Post Offices are identity
8	Jamie Glass of Herbster was checking his post office box when the postmaster told him the office could be closed.
9	"'Why?" he asked.
10	Glass has the distinction of renting post office box No. 1 in Herbster.
11 12 13	"So we've been using this post office for quite a while now, for a couple of three generations," Glass said. "It's worse for my father because he's retired and disabled. So having this close by, he doesn't last very long in a car or on his feet before he has to rest anyways."
14 15 16	Babcock, Beetown, Nelsonville, Hawthorne, Herbster — they're among the hundreds of Wisconsin villages and unincorporated towns that share the rural lifestyle. They also are among the 41 Wisconsin post offices on the Postal Service's potential closure list. And the people see that as a threat to small town life.
17 18	Many of Herbster's 104 people are retired and don't use computers to pay their bills or send e-mail. Rita Dehn is one of them. She's upset at the possibility of losing her post office.
19 20 21	"I was shocked. I really was," Dehn said. "I mean I was really surprised. I don't see how you could close it. I mean if the Post Office got a problem, but gee, why take it out on the people? You know I get my medicine in the mail. In the winter time you have to go all that distance just to get your mail. How come they want to close Herbster?"
22 23 24	The 2010 U.S. Census shows rural America makes up just 16 percent of the population, the lowest percentage ever. Just 20 years ago, 25 percent of people hailed from small towns. Pete Schenck runs the area's ambulance service. He thinks if they take away the post office, they'll take away Herbster's identity.
25 26	"We're starting to see some vitality. We're starting to see some hope for the future. And now it's gone. You remove 54844, we're gone from the map," Schenck said.
27 28	Congressman Sean Duffy, R-Ashland, says the closing list should be returned to sender. With many of the offices in rural areas like his northern district, he says they shouldn't be closed.

community, you know that often times your identity is tied up within your post office. You may not have a police force but you

"For me, I have been aggressively advocating for our post offices," Duffy said. "If you've been a member of a small

1 Duffy says several members of Congress are getting behind bills that would send the closing list to the dead letter office. 2 Herbster Town Clerk Sheryl Isaksson sees it the same way — the post office can be the heart of a community, and losing it 3 would be difficult for Herbster. 4 "It would go away. It would totally go away," she said. 5 Herbster Town Supervisor Jane Bucy thinks closing rural branches could mean the end to many small towns. 6 "Oh, it's the life of the community," Bucy said. "We get a lot of elderly people here who are dependent upon it for medicines 7 and things. They don't get around very easily. Packages. I mean, it's just the life of the community 8 Eight miles east on Highway 13 is the Lake Superior community of Cornucopia, population 98. It has Wisconsin's 9 northernmost post office. Resident Maggie Doetkett is glad their post office is not on the list. 10 "Coming to the Post Office, it's usually ten, fifteen minutes of 'Hi, how are you? How are the grand kids? How is the dog?" 11 Doetkett said. "Oh I hope Corny is never on that list. I mean living north of Highway 8, we really depend on a postal service." 12 Just being on the list doesn't mean a post office will be closed. Postal Service spokesman Pete Nowacki says a more 13 definitive list will be released in September, followed by a 60-day comment period where townsfolk can make their case 14 about isolation and identity. 15 "That's the type of information that we want brought to us as we start this public contact process," Nowacki said. "At this 16 point, it's a bit of a one size fits all. We've identified these offices based on certain numbers and certain factors, and now we 17 start taking a look at what makes each one unique and what makes each situation different from another." 18 Nowacki says even if a post office is closed, the zip code and town will remain on the mailing address. But Cornucopia's 19 Postmaster Chris Figge, who's held that job there since 1974, says for rural towns, that's not the point. 20 "I feel sorry for Herbster. I feel sorry for anybody that's getting a cut and losing their post office. If it's anything like 21 Cornucopia's Post Office, we always joke in here if there's a line in here, everybody says 'get a camera,' there's a line in the 22 Cornucopia Post Office. And who brought coffee and who's bringing the rolls."

B. Community Development

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While the notion of Community Identity is hard to quantify, it is nevertheless a critical factor in the life of a small town. A much easier quality to quantify is the fact that losing one's Post Office kills any community development program a small town might have. Lohrville is not at a point where we have a dedicated economic development group of our own. However, we are members of a countywide group, Calhoun County Economic Development Corporation. Our City clerk meets with the director and economic directors from other towns in our county to coordinate and support each other in economic development. We are actively looking to support

1 new and existing businesses in our town, and I know that without a Post Office of our own, we

2 are going to have a very difficult time. No business, which is considering locating in a small

3 town, will pick a small town without a post office over a small town with a post office.

4 Moreover, I know that in England, small businesses participants in government focus groups

have said that they would consider moving their business from their village to another, if their

village lost its Post Office, just to have a post office within walking distance. As a Mayor of a

small rural Iowa town, I find that type of talk disturbing. Small towns have enough challenges to

face without having to face business leaving our towns because the Postal Service decided to

close a small post office.

Thus, not only would the Postal Service be killing the identity of thousands of small rural communities if they choose to continue this program, but they would also be condemning thousands of local community development programs, thus ensuring that the economic future of those communities would be grim.

The Postal Service is supposed to be thinking of the community as it gathers data from the community. I believe that the Postal Service has a responsibility to think of the community and consider whether it will survive, and whether the Postal Service will be favoring the economic development of one community over another. After all, the Postal Service is supposed to be binding the nation together, not dividing the nation asunder, as it is doing now.

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20 Conclusion

Rural Post Offices are the heart and soul of America and the provision of post office services is at the core of the Postal Service's missions. They do not cost the Postal Service a lot of money, relatively speaking, and their value to small towns such as mine is priceless.

- 1 Madame Chairman, members of the Commission, it is your duty to evaluate this proposal
- and to issue an advisory opinion on the matter. I very strongly urge you to find that this proposal
- 3 is not in the public interest, would have a devastating effect on rural America, and should not be
- 4 continued on a massive scale.